

Message Text

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PAGE 01 BONN 14823 01 OF 03 151535Z
ACTION EUR-12

INFO OCT-01 ISO-00 CCO-00 CIAE-00 NTIE-00 EB-08 FCC-01
INR-10 NSAE-00 OC-06 ICA-11 COME-00 BIB-01 PM-05
L-03 ITC-01 /059 W
-----098513 151620Z /44

P R 151518Z AUG 78
FM AMEMBASSY BONN
TO SECDEF WASHDC PRIORITY
SECSTATE WASHDC PRIORITY 1094
INFO OSD WASHDC
USMISSION USNATO
USNMR SHAPE
CINC USAFE RAMSTEIN
CINC USNAVEUR LONDON
JCS WASHDC
DA WASHDC
USCINCEUR VAIHINGEN GE
CINC USAREUR HEIDELBERG
CDR 5TH SIG COMD WORMS
USA PROCUREMENT OFFICE FRANKFURT
USACC FT HUACHUCA AZ

LIMITED OFFICIAL USE SECTION 01 OF 03 BONN 14823

DAMO-TCS FOR DA WASHDC
CCAE FOR USACC FT HUACHUCA
SECDEF FOR DINNEEN
SECARMY FOR MULLALLY
ARMY R AND D FOR DR PIERRE
OSD FOR AMB. KOMER
DESOPS FOR MGMTYER
EUCOM FOR ECLA
USAREUR FOR GEN. BLANCHARD
USCINCEUR VAIHINGEN FOR ECLA/J-6
5TH SIG FOR BG RACKE
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PAGE 02 BONN 14823 01 OF 03 151535Z

FRANKFURT FOR MR. BENNETT

E.O. 11652: N/A
TAGS: ETEL, MARR, GW
SUBJECT: EUROPEAN TELEPHONE SYSTEM (ETS)

REF: A. BONN 14709 B. BONN 13869

1. THE FOLLOWING IS AN INFORMAL TRANSLATION OF THE EXPLANATION OF THE CHART THAT ACCOMPANIED THE ADELMANN/GALLAQHER LETTER DATED AUGUST 10: QUOTE:

2. COMMENTS TO THE TABLE

RE 1: FIRST ARTICLE TEST

THIS INCLUDES AMONG OTHERS:

- ERECTION AND DISMANTLING OF THE FACILITIES (INSTALLATIONS) AT THE FACTORY
- FURNISHING OF 5 EA. TEST ENGINEERS (BILINGUAL) FOR AT LEAST 6 MONTHS.
- TESTING OF HARDWARE AND OF ALL PROGRAMS
- DEMONSTRATION OF EASE OF MAINTENANCE.

RE 2: TRAINING

IN ADDITION TO TRAINING IN THE OPERATION AND MAINTENANCE OF THE EXCHANGE PLANT (THIS ITEM) INCLUDES:

THE SUPPLY AND INSTALLATION OF A TRAINING SYSTEM WHICH PERMITS NETWORK SIMULATION PLUS THE FURNISHING OF THE DOCUMENTATION (BILINGUAL) REQUIRED FOR THE TRAINING.

RE 3: PROJECT REALIZATION

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PAGE 03 BONN 14823 01 OF 03 151535Z

THE GENERALLY CUSTOMARY PROJECT REALIZATION IS COVERED BY THE PRICE SHOWN IN THE PROPOSAL BY THE DEUTSCHE BUNDESPOST SINCE INSTALLATIONS OF THIS KIND ARE ALWAYS BEING SOLD IN READILY INSTALLED AND OPERABLE CONDITION. TOGETHER WITH THE GERMAN TELECOMMUNICATIONS INDUSTRY THE DEUTSCHE BUNDESPOST IS IN A POSITION TO ADMINISTER THE PROJECT BY MEANS OF THE EXISTING ORGANIZATION.

THE US-INDUSTRY WOULD HAVE TO SET UP ONE CENTRAL ADMINISTRATIVE OFFICE AND APPROXIMATELY 5 EA. ASSEMBLY OFFICES (OVERSEAS, FROM THE US-VIEWPOINT) FOR THE PROJECT REALIZATION PERIOD. THE PROVISIONS AND DIRECTIONS OF THE TRADE REGULATIONS AND OF THE WORK CONSTITUTION ACT WILL HAVE TO BE OBSERVED IN THIS CONTEXT. THE ORGANIZATION OF A SPARE PARTS' SUPPLY SYSTEM HAS THEREBY NOT YET BEEN TAKEN INTO ACCOUNT.

RE 4: ADAPTION DEVELOPMENTS FOR THE (TECHNICAL)

ENVIRONMENT IN GERMANY.

US-FACILITIES WOULD HAVE TO BE COMPATIBLE WITH
THE PUBLIC GERMAN NETWORK. IN ADDITION TO THE
SIGNALLING PROCEDURES OF THE PUBLIC EXCHANGES
THEY WOULD ALSO HAVE TO ALLOW FOR THOSE OF

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PAGE 01 BONN 14823 02 OF 03 151543Z
ACTION EUR-12

INFO OCT-01 ISO-00 CCO-00 CIAE-00 NTIE-00 EB-08 FCC-01
INR-10 NSAE-00 OC-06 ICA-11 COME-00 BIB-01 PM-05
L-03 ITC-01 /059 W

-----098558 151621Z /44

P R 151518Z AUG 78
FM AMEMBASSY BONN
TO SECDEF WASHDC PRIORITY
SECSTATE WASHDC PRIORITY 1095
INFO OSD WASHDC
USMISSION USNATO
USNMR SHAPE
CINC USAFE RAMSTEIN
CINC USNAVEUR LONDON
JCS WASHDC
DA WASHDC
USCINCEUR VAIHINGEN GE
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LIMITED OFFICIAL USE SECTION 02 OF 03 BONN 14823

THE OTHER EXISTING EXCHANGE PLANTS AND,
FURTHERMORE, FOR ABOUT 10 DIFFERENT CIRCUIT
TYPES. THE TRANSMISSION CONCEPT DEVIATING
FROM THE US-CONDITIONS WOULD ALSO HAVE TO BE
TAKEN INTO CONSIDERATION.

RE 5: SITE SURVEY

THE DEUTSCHE BUNDESPOST AND THE GERMAN
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PAGE 02 BONN 14823 02 OF 03 151543Z

INDUSTRY ARE FAMILIAR WITH THE GEOGRAPHIC
LOCATION, WITH THE PRESENT CONDITIONS OF
BUILDINGS AND INSTALLATIONS AND WITH THE
NETWORK STRUCTURE. EXPENSES STILL REQUIRED
FOR THE SITE SURVEY ARE RANGING WITHIN A
NORMAL SCOPE AND ARE INCLUDED IN THE PRICE
OF THE DEUTSCHE BUNDESPOST.

CONSIDERABLE EXPENSES WOULD IN MY UNDERSTANDING
HAVE TO BE INCURRED BY THE US-INDUSTRY FOR
OBTAINING THE REQUIRED DATA. THE PERTINENT
COST ESTIMATE IS REFLECTED IN THE TABLE.

RE 6: COST INCREASES CAUSED BY TYPE VARIANTS

THE ADAPTION TO THE TECHNICAL ENVIRONMENT
PREVAILING IN THE FEDERAL REPUBLIC OF GERMANY
WOULD RESULT FOR THE US-INDUSTRY IN TYPE
VARIANTS THAT WILL SURELY BE MORE EXPENSIVE
THAN THE FACILITIES (PRODUCED) FOR THE
GERMAN MARKET. THIS AGAIN WOULD ENTAIL THAT
THESE TYPE VARIANTS WOULD BE DESIGNED AND
PRODUCED IN SMALLER SERIES IN ADDITION TO THE
REGULAR SERIES AND THAT THEY WOULD BE SUBJECT
TO DIFFERING INSPECTION AND CONTROL STANDARDS.
THESE FACTS WOULD LEAD TO SUBSTANTIAL COST
INCREASES FOR THE US-INDUSTRY. ON THE OTHER
HAND, THE FACILITIES PROPOSED BY THE DEUTSCHE
BUNDESPOST ARE SERIES PRODUCTS.

RE 7: DUAL CONTROL SYSTEM

THE TELECOMMUNICATIONS FACILITIES FOR THE
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PAGE 03 BONN 14823 02 OF 03 151543Z

GERMAN MARKET ARE FOR REASONS OF RELIABILITY
EQUIPPED WITH A DUAL CONTROL SYSTEM. A WAIVER
OF THIS DUAL SYSTEM WOULD STAND FOR A CONCEPT
CHANGE AND THUS REQUIRE A SUPPLEMENTARY
DEVELOPMENT. IT IS, THEREFORE, NOT POSSIBLE
TO QUOTE AN APPLICABLE PRICE SHARE IN THE

GERMAN PROPOSAL.

THE SPECIFICATIONS FOR ETS DO ALSO CALL FOR A DUAL CONTROL SYSTEM. THE DUAL CONTROL SYSTEM IS, HOWEVER, TO MY KNOWLEDGE NOT CONTAINED IN THE US-VALUES/SPECIFICATIONS. I REFLECTED, THEREFORE, THE ANTICIPATED AMOUNT IN THE TABLE WHICH HAS BEEN COMPUTED ON BASIS OF THE FIGURES ESTIMATED BY YOU (112 EO X 50,000 PER CPU).

RE 8: POWER SUPPLY

THE PROPOSAL BY THE DEUTSCHE BUNDESPOST COVERS THE POWER SUPPLY INCLUDING THE TRICKLE CHARGE SUPPLEMENT AND BATTERIES. IF THIS ITEM SHOULD NOT APPLY THE PRICE WOULD BE REDUCED BY THE AMOUNT INDICATED. THE POWER SUPPLY WAS NOT INCLUDED IN THE FIGURES QUOTED BY YOU AND THE PERTINENT PRIC SHARE WOULD HAVE TO BE ADDED.

RE 9: CUT-OVER EQUIPMENT

THIS EQUIPMENT IS IRED FOR THE INTERRUPTION-FREE CUT-OVER AND IT IS CONTAINED IN THE PROPOSAL OF THE DEUTSCHE BUNDESPOST WITH AN AMOUNT OF 5 MILLION.

I ESTIMATED THE IDENTICAL AMOUNT FOR EQUIPMENT LIMITED OFFICIAL USE

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PAGE 04 BONN 14823 02 OF 03 151543Z

FROM US-PRODUCTION.

RE 10: TEST EQUIPMENT

THE PRICE SHARE FOR THE EQUIPMENT INCLUDED IN

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PAGE 01 BONN 14823 03 OF 03 151547Z

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L-03 ITC-01 /059 W

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P R 151518Z AUG 78

FM AMEMBASSY BONN

TO SECDEF WASHDC PRIORITY

SECSTATE WASHDC PRIORITY 1096

INFO OSD WASHDC

USMISSION USNATO

USNMR SHAPE

CINC USAF RAMSTEIN

CINC USNAVEUR LONDON

JCS WASHDC

DA WASHDC

USCINCEUR VAIHINGEN GE

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LIMITED OFFICIAL USE SECTION 03 OF 03 BONN 14823

THE PROPOSAL BY THE DEUTSCHE BUNDESPOST HAS
BEEN INDICATED.

RE 11: SHIPMENT AND PACKING

THE GERMAN PRICE SHARE IS INDICATED. IN VIEW
OF THE SPECIAL CIRCUMSTANCES IT IS LOWER THAN
THE US-AMOUNT. IN THIS CONTEXT I AM NOT ABLE
TO DETERMINE WHETHER THE US-COST SHARE INCLUDES
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PAGE 02 BONN 14823 03 OF 03 151547Z

THE PACKING AND INSURANCE AGAINST RISKS OF
TRANSPORT, AS THIS IS THE CASE FOR THE GERMAN
PRICE.

RE 12: DOCUMENTATION

IN VIEW OF THE SCOPE OF THE QUIRED
DOCUMENTATION AND OF THE SPECIAL CIRCUMSTANCES,
IN PARTICULAR ALSO IN VIEW OF THE NECESSITY
FOR BILINGUAL DOCUMENTATION, IT APPEARS

TO ME THAT THE AMOUNT QUOTED BY THE US-SIDE
IS FAR TOO LOW. I INSERTED THE IDENTICAL
AMOUNT IN BOTH BLOCKS OF THE COMPARATIVE
TABLE.

RE 13: ASSEMBLY AND PLANNING PLUS CUT-OVER

ALSO HERE IT APPEARS TO ME THAT THE US-
ESTIMATES ARE FAR TOO LOW, SPECIFICALLY IN
VIEW OF THE SPECIAL CONDITIONS. IN MY
OPINION IT HAS NOT BEEN TAKEN INTO ACCOUNT
THAT AN UNINTERRUPTED TELECOMMUNICATIONS
TRAFFIC MUST BE WARRANTED AND THAT ALL CUT-
OVER OPERATIONS WILL IN VIEW OF THE
RESPECTIVE NEW NETWORK CONFIGURATIONS HAVE TO
BE REPEATEDLY PERFORMED. IT ALSO APPEARS
THAT THE ASSEMBLY INSURANCE IS NOT INCLUDED
IN THE US-PROPOSAL. I SHOULD LIKE TO RE-
ITERATE THAT THIS WOULD BE AN OVERSEAS PROJECT
FOR THE US-INDUSTRY. NO MATTER WHETHER A
US-COMPANY PERFORMS THIS WORK OVERSEAS WITH
ITS OWN STAFF UNDER UNACCUSTOMED ENVIRONMENTAL
CONDITIONS, OR
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PAGE 03 BONN 14823 03 OF 03 151547Z

WHETHER IT WOULD USE A PARTNER COMPANY
WHICH IS UNFAMILIAR WITH BOTH THE SYSTEMS
TO BE ASSEMBLED AND THE ALREADY EXISTING
INSTALLATIONS, IT WOULD HAVE TO BE ANTICIPATED
THAT THE COST INCURRED WOULD EXCEED THAT
ARISING FOR HAVING THIS TASK PERFORMED BY THE
DEUTSCHE BUNDESPOST IN COOPERATION WITH THE
GERMAN TELECOMMUNICATIONS INDUSTRY.

IN SPITE OF THIS I INSERTED FOR THIS ITEM
IDENTICAL AMOUNTS IN BOTH BLOCKS. END QUOTE.

3. NEW SUBJECT:

IN THE SECOND PARAGRAPH OF THE ADELMANN/
GALLAGHER LETTER, FOR CLEARER UNDERSTANDING,
SUBSTITUTE THE WORD "USER" OR "SUBSCRIBER"
FOR THE WORD "PARTICIPANT".

4. COPIES OF ORIGINAL AND TRANSLATIONS OF THE
CHART AND EXPLANATION WILL BE AIRMAILED TODAY TO
SUSAN KLINGAMAN AND COL. MULLALLY.

MEEHAN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONSTRUCTION, TELEPHONE SYSTEMS, COMMUNICATION LINES, MILITARY COMMUNICATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
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Disposition Reason:
Disposition Remarks:
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ISecure: 1
Legacy Key: link1978/newtext/t19780861/aaaabynh.tel
Line Count: 384
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9401f762-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1730842
Secure: OPEN
Status: NATIVE
Subject: EUROPEAN TELEPHONE SYSTEM (ETS)
TAGS: ETEL, MARR, GE
To: DOD STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/9401f762-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
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